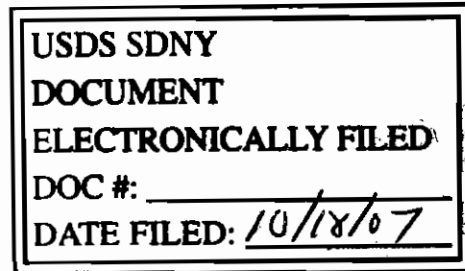


MICHAEL J. GARCIA
United States Attorney for the
Southern District of New York
By: Kathleen A. Zebrowski
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86 Chambers Street
New York, New York 10007
Telephone No.: (212) 637-2710
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



-----X
UNITED STATES OF AMERICA, :

Plaintiff, :

- against - :

LELAND R. HARDY, :

Defendant. :

STIPULATION AND
ORDER OF SETTLEMENT
AND DISMISSAL

07 Civ. 7489 (PKC)

-----X
THIS ACTION having been commenced by the filing of a verified complaint and
issuance of a summons on August 23, 2007, and defendant Leland Hardy (the "defendant")
having filed an answer to the complaint; and

WHEREAS, the parties wish to achieve an amicable resolution of the case,

IT IS HEREBY STIPULATED AND AGREED, by and between the parties that
the above-captioned action be, and hereby is, dismissed, subject to the following terms and
conditions:

1. Defendant shall pay plaintiff United States of America (the "plaintiff" or
the "United States") a total amount of \$14,600.00 as follows: (1) \$2,600.00 on or before

November 15, 2007; and (2) \$2,000.00 by the 15th day of each month thereafter, until the aforementioned amount is paid in full.

2. All payments shall be made payable to the United States Department of Justice and mailed or delivered to the Financial Litigation Unit, United States Attorney's Office, 86 Chambers Street, New York, New York 10007.

3. Simultaneously with his execution of this stipulation, defendant shall execute a consent judgment in the form annexed hereto as Exhibit A. The executed consent judgment shall be held in escrow by plaintiff's counsel. In the event defendant fails to comply with the terms and conditions of paragraphs 1 and 2 herein, plaintiff shall be entitled to enter judgment for the full amount of the Government's claim, that is, \$27,982.34, with interest from the date of judgment as provided by law, less any amounts paid by defendant. Before any entry of the consent judgment, plaintiff shall first afford defendant notice of any default in writing sent by first class mail to defendant at his last known address, and shall afford defendant ten days to cure the default. Defendant shall be presumed to have received notice of default five days from date of the first-class mailing.


4. Each party to this action will bear its own costs and attorneys' fees.

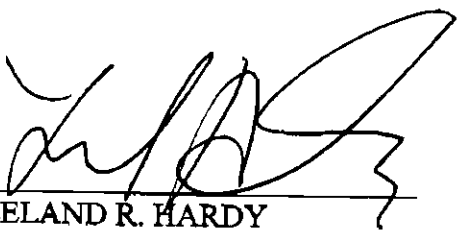
5. After defendant has made payment to plaintiff required in paragraph 1, plaintiff shall deliver an instrument of release of its claim in this action.

Dated: New York, New York
October 17, 2007

MICHAEL J. GARCIA
United States Attorney for the
Southern District of New York
Attorney for the United States
of America

By:


KATHLEEN A. ZEBROWSKI
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LELAND R. HARDY
Defendant, pro se

SO ORDERED:


UNITED STATES DISTRICT JUDGE

10-18-07

Exhibit A

MICHAEL J. GARCIA
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Southern District of New York
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86 Chambers Street
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA, :

Plaintiff, :

- v. - :

CONSENT JUDGMENT

LELAND R. HARDY, :

07 Civ. 7489 (PKC)

Defendant. :

-----X

WHEREAS, this action having been commenced by the filing of a verified complaint and issuance of a summons on August 23, 2007, and defendant Leland R. Hardy (the "defendant"), having filed an answer to the complaint; and the parties having consented to entry of this judgment upon the terms and conditions set forth in the stipulation and order of settlement and dismissal of this action executed by the parties on or about October 17, 2007;

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that plaintiff have judgment against defendant in the amount of \$27,582.34, plus costs in the amount of \$400.00, amounting in all to the sum of \$27,982.34, with interest from the date of judgment as provided by law and that plaintiff have execution therefor.

EXHIBIT A

Dated: New York, New York
October 17, 2007

MICHAEL J. GARCIA
United States Attorney for the
Southern District of New York
Attorney for the United States
of America

By: _____

KATHLEEN A. ZEBROWSKI
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FAX No.: (212) 637-2717

LELAND R. HARDY
Defendant, pro se

SO ORDERED:

UNITED STATES DISTRICT JUDGE

EXHIBIT A